

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION**

STATE OF NEBRASKA, et al.,

*Plaintiffs,*

v.

JOSEPH R. BIDEN, Jr.,  
in his official capacity as the President of  
the United States of America, et al.

*Defendants.*

No. 4:22-cv-01040

**DECLARATION OF TONY WILLIAMS**

I, Tony Williams, hereby declare and state as follows:

1. I am over the age of 21 and make this declaration based on my own personal knowledge.
2. I am currently employed as the Director of the Arkansas Student Loan Authority (“ASLA”). I have held that position since 2004. I have been employed by ASLA since 1987.
3. ASLA is a state entity created to provide a comprehensive student loan program for Arkansans. It was established in 1977. As of 2017, ASLA is a division of the Arkansas Development Finance Authority (“ADFA”). ADFA is overseen by a Board of Directors consisting of the Secretary of the Department of Finance and Administration, eleven public members appointed by the Arkansas Governor, and the Secretary of the Department of Commerce, who is a nonvoting member. The public members serve four-year terms.
4. As part of my duties as ASLA Director, I am familiar with ASLA’s student loan portfolio.

5. ASLA participates in the Federal Family Education Loan Program (“FFELP”), which was established by the Higher Education Act. Origination of new FFELP loans ceased in 2010, but many FFELP loans still exist and are subject to ongoing repayment.

6. Prior to the announcement of the student loan cancellation by the Biden Administration, ASLA held approximately \$100 million in FFELP loans. These FFELP loans provide a source of revenue to ASLA. ASLA generates revenue through collecting an administrative fee, which is calculated based on a percentage of the total outstanding FFELP loan balance. A portion of that administrative fee is paid out by ASLA for administrative and servicing costs, and the excess is retained as revenue. That revenue is primarily used for ASLA’s operating expenses but could also be used to finance additional student loans as allowed under Arkansas law.

7. Since the announcement, ASLA estimates that approximately \$5-6 million of the FFELP loans held by ASLA have been consolidated into loans under the Direct Loan Program (“DLP”).

8. This drop in ASLA’s FFELP loan balance will result in a reduction of revenue. That is because the administrative fee ASLA collects on FFELP loans is calculated based on the outstanding loan balance. A reduction in the total balance means a reduction in the administrative fee, resulting in decreased revenue.

9. ASLA’s FFELP loans were financed through the issuance of bonds, which ASLA is authorized to do under Arkansas law, and which generate revenue to support ASLA’s ongoing college planning programs, higher education services and financial assistance for Arkansas families. The principal and interest payments made by borrowers ultimately go to satisfy obligations to bondholders. A reduction in the principal balance of ASLA’s FFELP loans will result in a reduced administrative fee, as explained above.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 29, 2022.

A handwritten signature in blue ink, appearing to read "Ray W. Allen", is written over a horizontal line.